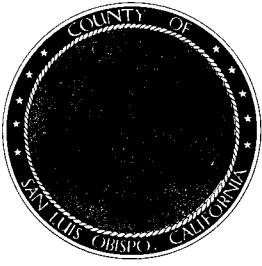


COUNTY OF SAN LUIS OBISPO BOARD OF SUPERVISORS

AGENDA ITEM TRANSMITTAL

(1) DEPARTMENT Planning and Building	(2) MEETING DATE February 7, 2006	(3) CONTACT/PHONE Brian Pedrotti, Current Planning (805) 788-2788	
(4) SUBJECT Continued hearing on the request for a Land Use Element amendment application (LRP2004-00005 – Cypress Ridge, L.P.) to: 1) amend the South County (Inland) Area Plan by changing the land use category on an approximately 147 acre site from Residential Rural to Residential Suburban, and changing the Palo Mesa Village Reserve Line (VRL) to include the subject property; and 2) change the Agriculture and Open Space Element land use designation from Small Lot Rural to Urban Lands. Supervisorial District No. 4			
(5) SUMMARY OF REQUEST Processing amendments to the San Luis Obispo County General Plan requires an initial review of the proposal to determine whether your Board wishes to initiate the processing of a legislative amendment. The proposed amendment is to allow the future subdivision of the property for residential and recreational purposes. The Board of Supervisors on April 19, 2005 considered whether to authorize the processing of a Land Use Element amendment application to change the land use category on 147 acres from Residential Rural to Residential Single-Family. The applicant requested a continuance to work on a revised concept. The continuance was granted by the Board of Supervisors off-calendar, and the project description was changed to propose a land use category of Residential Suburban.			
(6) RECOMMENDED ACTION Review the attached proposal and determine whether your Board wishes to authorize processing.			
(7) FUNDING SOURCE(S) Application Fee	(8) CURRENT YEAR COST N/A	(9) ANNUAL COST N/A	(10) BUDGETED? <input type="checkbox"/> YES <input type="checkbox"/> N/A <input type="checkbox"/> NO
(11) OTHER AGENCY/ADVISORY GROUP INVOLVEMENT (LIST): County Public Works, County Environmental Health, County Parks and Recreation, Agriculture Commissioner, California Department of Forestry, Caltrans, Air Pollution Control District (APCD), Lucia Mar School District, the Nipomo Community Advisory Council (NCAC), the Nipomo Community Services District (NCSD), and the City of Arroyo Grande.			
(12) WILL REQUEST REQUIRE ADDITIONAL STAFF? <input type="checkbox"/> No <input type="checkbox"/> Yes, How Many? _____ <input type="checkbox"/> Permanent _____ <input type="checkbox"/> Limited Term _____ <input type="checkbox"/> Contract _____ <input type="checkbox"/> Temporary Help _____			
(13) SUPERVISOR DISTRICT(S) 1st, 2nd, 3rd, 4th, 5th, <u>All</u>		(14) LOCATION MAP <input checked="" type="checkbox"/> Attached <input type="checkbox"/> N/A	
(15) AGENDA PLACEMENT <input type="checkbox"/> Consent <input type="checkbox"/> Hearing (Time Est. _____) <input type="checkbox"/> Presentation <input checked="" type="checkbox"/> Board Business (Time Est. <u>45 min</u>)		(16) EXECUTED DOCUMENTS <input type="checkbox"/> Resolutions (Orig + 4 copies) <input type="checkbox"/> Contracts (Orig + 4 copies) <input type="checkbox"/> Ordinances (Orig + 4 copies) <input checked="" type="checkbox"/> N/A	
(17) NEED EXTRA EXECUTED COPIES? <input type="checkbox"/> Number: _____ <input type="checkbox"/> Attached <input checked="" type="checkbox"/> N/A		(18) APPROPRIATION TRANSFER REQUIRED? <input type="checkbox"/> Submitted <input type="checkbox"/> 4/5th's Vote Required <input checked="" type="checkbox"/> N/A	

(19) ADMINISTRATIVE OFFICE REVIEW	<div style="font-size: 2em; font-family: cursive;">OK Leslie Brown</div> <div style="font-size: 2em; font-family: cursive; position: absolute; right: 0; bottom: 0;">D-1 2-7-06</div>
-----------------------------------	---



SAN LUIS OBISPO COUNTY DEPARTMENT OF PLANNING AND BUILDING

VICTOR HOLANDA, AICP
DIRECTOR

TO: BOARD OF SUPERVISORS

FROM: BRIAN PEDROTTI, PROJECT PLANNER

VIA: WARREN HOAG, DIVISION MANAGER, CURRENT PLANNING *COH*

DATE: FEBRUARY 7, 2006

SUBJECT: Continued hearing on the request for a Land Use Element amendment application (LRP2004-00005 – Cypress Ridge, L.P.) to: 1) amend the South County (Inland) Area Plan by changing the land use category on an approximately 147 acre site from Residential Rural to Residential Suburban, and changing the Palo Mesa Village Reserve Line (VRL) to include the subject property; and 2) change the Agriculture and Open Space Element land use designation from Small Lot Rural to Urban Lands. Supervisorial District No. 4

RECOMMENDATION

Review the attached proposal and determine whether your Board wishes to authorize processing.

DISCUSSION

Proposal

The proposal is a request for a Land Use Element amendment application (LRP2004-00005 – Cypress Ridge, L.P.) to: 1) amend the South County (Inland) Area Plan by changing the land use category on an approximately 147 acre site from Residential Rural to Residential Suburban, and changing the Palo Mesa Village Reserve Line (VRL) to include the subject property; and 2) change the Agriculture and Open Space Element land use designation from Small Lot Rural to Urban Lands. The purpose of this request is to allow the applicant to develop approximately 147 clustered homes and a 9-hole golf course. The site is located approximately ½ mile south of the southwest corner of Halcyon Road and Zenon Way, directly east of the Palo Mesa Village Area. The site is in the South County (Inland) planning area.

D-1

The project site is an approximately 147-acre parcel currently within the Residential Rural land use category and outside of the Palo Mesa Village Reserve Line (see attached Exhibit A). The property owner, Cypress Ridge L.P., is requesting to change the land use category of the site from Residential Rural to Residential Suburban in order to allow the applicant to develop approximately 147 homes and a 9-hole golf course. The historical use of the property has been for the small-scale agricultural activities. More recently in 2003, the property was planted with 40 acres of strawberries and expanded to 90 acres in 2004, which created one of the largest strawberry production fields in the county. The property is adjacent to lands within the Residential Rural land use category to the north, south, and east. The land uses on adjacent properties to the south and east are nursery/greenhouse facilities (Ball Flora/Tagawa West and Greenheart Farms). Rural residential 5-acre lots are located to the north. To the west is the existing Cypress Ridge development within the Residential Suburban land use category and within the Palo Mesa Village Reserve Line.

Background

The property was formerly included in a request to change the land use category from Residential Rural to Residential Suburban for an overall 345 acres (G860045M). This land use category change was authorized for processing by the Board of Supervisors in 1987, but the request was withdrawn prior to initiation of the environmental review. In 1998, the same request to change the land use category was submitted to the County (G970013M). It was determined that the previous authorization from 1987 was sufficient to allow the request to proceed. The request was again withdrawn prior to initiation of the environmental review.

On April 19, 2005, the Board of Supervisors considered whether to authorize the processing of a Land Use Element amendment application to change the land use category on 147 acres from Residential Rural to Residential Single-Family. The applicant requested a continuance to work on a revised concept. The continuance was granted by the Board of Supervisors off-calendar, and the project description was changed to propose a land use category of Residential Suburban. This request is what your Board is considering authorization of today.

Project Data

Planning Area: South County Area Plan

Community: Rural - adjacent to Palo Mesa Village

Assessor Parcel Numbers: 075-351-022, -028, 075-353-011 through -027

Area: +/- 147 acres

Topography: Gently to moderately sloping

Vegetation: Strawberries, crops

Existing Use and Improvements: Strawberry farm, agricultural accessory buildings

Water Supply: Community system (proposed Rural Water Company)

Sewage Disposal: Community system (proposed service from existing sewage plant in Cypress Ridge I development)

D-13

Surrounding Land Uses (Land Use Categories)

North: Rural residences (Residential Rural)
South: Greenheart Nursery/greenhouse (Residential Rural)
East: Ball Tagawa Nursery/greenhouse (Residential Rural)
West: Cypress Ridge I development (Residential Suburban)

General Plan Information

Land Use Element Category: Residential Rural
Combining Designation: None
Planning Area Standards: South County Areawide and Rural
Zenon Way area
Agriculture and Open Space Plan Category: Small-Lot Rural

AUTHORITY

Unlike the processing of land use permits, the first step when considering requested changes to the general plan or land use ordinances is for your Board to determine whether to initiate new legislation to change the rules. If you authorize this request for processing, the item will be scheduled for public hearings before the Planning Commission and your Board after the environmental review process and staff report is completed.

The Land Use Element sets forth the authority by which the General Plan can be amended. The following factors should be considered by the Board in making their decision, pursuant to the Land Use Element:

- a. **Necessity.** Relationship to other existing LUE policies, including the guidelines for land use category amendments, to determine if those policies make the proposed amendment unnecessary or inappropriate.
- b. **Timing.** Whether the proposed change is unnecessary or premature in relation to the inventory of similarly designated land, the amount and nature of similar requests, and the timing of projected growth.
- c. **Vicinity.** Relationship of the site to the surrounding area to determine if the area of the proposed change should be expanded or reduced in order to consider surrounding physical conditions. These may include resource availability, environmental constraints, and carrying capacity for the area in the evaluation.
- d. **Cumulative effects of the request.** Individual property owner requests for changes are evaluated in view of existing buildout, current population and resource capacity conditions, and other important information developed as part of the update process.

D-1
4

MAJOR ISSUES

The proposed General Plan amendment raises the following major issues:

1. Is the request consistent with applicable Land Use Element plan policies relating to the purpose and character statements for the requested Residential Suburban land use category and the policies of the Agriculture and Open Space Element for conversion of agricultural uses?
2. Is there sufficient water supply to serve the increased density that would result from this application in addition to existing allowed land uses?
3. Would this be an appropriate conversion of land currently used for agricultural purposes? Will allowing residential uses in this area create land use conflicts with area agricultural uses and facilitate additional agricultural conversion in the immediate vicinity?
4. Is there a need to designate more land in the Residential Suburban category in this area of the Nipomo Mesa?
5. Does the request represent a logical extension of the Palo Mesa Village Reserve Line and should the extension of the Village Reserve Line be encouraged in this area?
6. Is the timing of this request premature given the availability of land and the resource constraints?

GENERAL PLAN CONSIDERATIONS

Guidelines for Land Use Category Amendments

In determining whether to approve a proposed land use category amendment, the Planning Commission and Board of Supervisors may consider, but shall not be limited to, the criteria listed in Exhibit C. These criteria include consistency with existing goals and policies in the general plan, consistency with the applicable purpose and character statements, compatibility with the character of the general area, convenient access to a road system in the area that is adequate to accommodate the traffic generated, whether the site is suitable for on-site sewage disposal and has an adequate groundwater supply, protection of prime agricultural soils, and if the change is needed to provide a sufficient supply of land for the population of the community or area.

Purpose and Character Statements

The statements of purpose and character in the Framework for Planning, Part I of the Land Use Element of the general plan, are to be used as criteria for evaluating whether a General Plan amendment is appropriate for a specific site (See Exhibit D). These statements identify suitable features or conditions for the location, extent and timing of designating a land use category.

D-1
D-5

The purpose statements for the Residential Suburban (RS) land use category include:

- To allow for single-family residential development on estate sized lots in a semi-rural suburban setting within the urban and village areas or in older existing rural subdivisions.
- To allow limited, compatible non-residential uses which complement suburban neighborhoods such as animal raising or hobby farming.
- To designate for lower density residential expansion within urban and village boundaries.
- To encourage clustering of allowed densities where there are important open space attributes that are a community resource or where sensitive habitats exist.

The character of Residential Suburban land is described as being:

- Areas at the outer portions of communities where open space is prominent, with residences on parcels ranging from one to five acres in size.
- Areas within urban or village reserve lines, but outside urban service lines and programmed for less than full urban services.
- Although there are several areas of the residential suburban category outside urban and village reserve lines, such as Squire Canyon, Arroyo Grande Fringe and Tract 7, those areas are designated to recognize existing areas of small lots. Those areas should not be expanded and new areas not created except within urban and village reserve lines.
- Areas where soil conditions will enable septic systems to serve adequately on larger parcels.
- Areas where the majority of land contains slopes less than 30% (with increased lot sizes required as slope increases) and where land with slopes less than 20% is available for building sites on all proposed parcels.
- Areas with a landscape or viewshed of high visual quality (for example, woodlands, hills, rock formations, existing agriculture and ag accessory buildings) where clustering of allowed density to less sensitive portions of a site is encouraged.
- Areas of generally marginal agricultural land.
- Areas generally free of fragile natural resources.
- Areas where growth will not be premature with respect to utility and public service capacities, or conflict with agricultural, commercial or industrial uses.
- Areas where horses and other similar farm animals are allowed accessory to residential uses.
- Areas where small-scale neighborhood commercial and service uses may be appropriate in limited areas if consistent with individual community plans and Land Use Ordinance standards.

Staff Response: The site meets some of the Residential Suburban purpose and character statements. Although the applicant is proposing full urban level services, the character statements advise that land in this category would have less than full urban-level services. The property is located primarily in an area characterized by agricultural operations and 5-acre or

Dr. 6

greater rural development outside of the village reserve line. The purpose and character statements indicate Residential Suburban-designated lands should be areas with single-family dwellings at gross densities of one residence per 1 to 5 acres; areas having less than full urban services; areas within an urban or village reserve lines, areas with marginal agricultural land, and areas where growth will not be premature with respect to utility and public service capacities or conflict with agricultural, commercial or industrial uses. The land use category is also intended to encourage clustering of allowed densities where there are important open space attributes that are a community resource or where sensitive habitats exist. The proposed conceptual design of a cluster includes residential homes surrounded by a golf course for open space and avoidance of the Black Lake Canyon Slough. Although the applicant has indicated that the project is programmed to receive sewer services, lack of water availability, urban level traffic impacts, and conflicts with existing agricultural operations present significant challenges as discussed later in this report.

LAND USE ISSUES

General Goals of the Land Use Element

Applicable general goals of the Land Use Element include:

Environment

- Maintain and protect a living environment that is safe, healthful and pleasant for all residents by conserving nonrenewable resources and replenishing renewable resources.
- Balance the capacity for growth allowed by the Land Use Element with the sustained availability of resources.

Air Quality

- Determine, and mitigate where feasible, the potential adverse air quality impacts of new development.
- Minimize the generation of air pollutants from projected growth by implementing land use policies and programs that promote and encourage the use of transportation alternatives to the single-passenger vehicle and minimize travel distance and trip generation.

Population Growth

- Provide for a sustainable rate of orderly development within the planned capacities of resources and services and the county's and citizens' financial ability to provide them.

Distribution of Land Uses

- Encourage an urban environment that is an orderly arrangement of buildings, structures and open space appropriate to the size and scale of development for each community.
- Maintain a distinction between urban and rural development by providing for rural uses outside of urban and village areas which are predominately agriculture, low-intensity recreation, residential and open space uses, which will preserve and enhance the pattern of identifiable communities.
- Identify important agricultural, natural and other rural areas between cities and communities and work with landowners to maintain their rural character.

D-1
7

- Encourage the protection of agricultural land for the production of food, fiber, and other agricultural commodities.

Phasing of Urban Development

- Encourage the phasing of urban development in a compact manner, first using vacant or underutilized "infill" parcels and lands next to existing development.

Residential Land Uses

- Locate urban residential densities within urban or village reserve lines near employment areas, while protecting residential areas from incompatible and undesirable uses.

Public Services and Facilities

- Provide additional public resources, services and facilities to serve existing communities in sufficient time to avoid overburdening existing resources, services and facilities.
- Avoid the use of public resources, services and facilities beyond their renewable capacities, and monitor new development to ensure that its resource demands will not exceed existing and planned capacities or service levels.
- Locate new and additional public service facilities on existing public lands where feasible, allowing for sufficient buffers to protect adjacent rural and agricultural areas.

Staff Response: Changing the site from Residential Rural to Residential Suburban may conflict with some of the general goals of the general plan, including those regarding Environment, Population Growth, Distribution of Land Uses, Phasing of Urban Development, Residential Land Uses, and Public Services and Facilities. These goals promote the protection of agricultural land while identifying a need to maintain a distinction between urban and rural development. They also state that public services and facilities should be provided in sufficient time to avoid overburdening existing resources, services and facilities. The proposed amendment may conflict with these goals in that it requests the extension of the Urban Reserve Line while proposing connection to the existing community water system in an area identified as having a potential lack of water resources; it also requests a conversion of agricultural land to non-agricultural use.

Water and Traffic Issues

The primary land use concern is area-wide cumulative development, which will create impacts on the water supply and road system. Several studies of the Nipomo Mesa area in the 1970s and 1980s suggested the possibility of groundwater overdraft. Based on these studies, a Level of Severity 2 was recommended in the 1990 Annual Resource Summary Report and, in 1993, the county commissioned the DWR to conduct an update of its 1979 study of the Arroyo Grande – Nipomo Mesa area (*Resource Capacity Study Water Supply in the Nipomo Mesa Area, August, 2004*). The Board of Supervisors directed staff to conduct a resource capacity study for water supply in the Nipomo Mesa area, to be based on the DWR update when it was completed, leading to certification of a level of severity and adoption of appropriate mitigation measures.

On November 2, 2004 the Board of Supervisors considered the recommendation of the Planning Commission regarding the Resource Capacity Study of water supply in the Nipomo Mesa area. The Board certified Level of Severity 2, and directed staff to implement several actions intended to improve the process of monitoring water levels in the groundwater basin, to reduce the amount of water used by new development and to consider the achievement of water conservation

1
Dg

objectives by water purveyors in the area at the time of the annual hearing on the Growth Management Ordinance.

On December 14, 2004, the Board approved the Annual Resource Summary Report for 2004. In response to public comment received at that meeting, the Board agreed to schedule time at a future meeting to reconsider the Level of Severity for water supply for the Nipomo Mesa and consider if staff should be directed to implement additional measures in response to the resource deficiency. On December 23, 2005, the Board of Supervisors identified that a Level of Severity 3 should be recommended in the Annual Resource Summary Report, and directed staff to complete the processing of planning area standards that would require new development to incorporate specific water conservation features and make the provision of supplemental water a condition of general plan amendments.

The applicant has proposed to create a "No Net Gain" in water use, whereby agricultural water uses would be transferred to residential water uses and the golf course irrigated with treated water. This scenario raises concerns that the "no net gain" in water usage is based on very recent agricultural use and not on the historical water demand of the site. In addition, the claim of "no net gain" could not be made in a comparison of non-agricultural water use before and after the general plan amendment. No information has been provided on the current daily water usage of the agricultural uses or the historical daily water usage on the site or the estimated non-agricultural water use based on current land use entitlements.

Based on the size and scope of the project, County Public Works has identified the need for a traffic study to update the South County Traffic Circulation Study if the project is authorized. The California Department of Transportation will also require a full Traffic Impact Study (TIS) for impacts to State Transportation Facilities, including analyses of impacts to the Hwy 101/Tefft Street interchange, both Hwy 1 / Halcyon Road inter-sections, and the Hwy 101/El Campo intersection.

Agriculture and Open Space Element Policies

The applicant has requested a General Plan Amendment to re-designate the land use designation in the Agriculture/Open Space Element. The current designation is Small-Lot Rural, which corresponds to a LUE land use category of Residential Rural or Residential Suburban. The Small-Lot Rural designation applies only within rural areas, outside of urban and village reserve lines. Because the applicant has requested to include the property within the Village Reserve Line, the Ag/OS Element designation would need to be re-designated to Urban Lands. This designation would also maintain consistency with the applicant's request to change the land use category on the site from Agriculture to Residential Suburban to allow a cluster subdivision.

The Agriculture and Open Space Element contains policies on conversion of agricultural lands to non-agricultural uses. Although typically applied to lands that are designated with the Agriculture land use category, in this case, it may also be appropriate to apply these conversion policies as this property has been recently used for active agriculture. Implementation criteria for the conversion policies of the Agriculture and Open Space Element include, but are not

D-1
Da

limited to, agriculture capability of the site and potential impacts to adjacent lands. Additionally, there are findings in the Agriculture and Open Space Element for conversion of land to non-agricultural use. The findings are to be made based on a site-specific evaluation. The goal of Agriculture policy AGP24 is to protect agricultural resources. Portions of the site have supported a variety of agricultural crops. Most recently, strawberries have been produced on the site and intensified this year. The conversion of this high value crop would not be consistent with AGP24.

Agriculture policy AGP11 provides that projects should maintain water resources for production agriculture, and that general plan amendments that result in increased residential density that may adversely affect water supplies, quality, or groundwater recharge capability are not supportable. Supporting documentation of a "no net gain" in water use has not been submitted.

Village Reserve Line

The village reserve lines (VRL) distinguish developed areas from the surrounding rural countryside. A land use plan has been developed for each village, including the Palo Mesa Village, with particular attention given to their unique problems, opportunities and development potentials. The goals and objectives for public services are listed in Chapter 4, Section C of the Inland Area Framework for Planning, and include:

Goal 1: Provide additional public resources, services and facilities in sufficient time to avoid overburdening existing resources, services and facilities.

Objective: Schedule development to occur when needed services are available or can be supplied concurrently. This could include applying the use of "holding zones" where development could initially be limited below the maximum density permitted, until service improvements are available.

Goal 2: Maintain a distinction between urban and rural development by providing for rural uses outside of urban and village areas which are predominantly agriculture, low-intensity recreation, residential and open space uses which will preserve and enhance the pattern of identifiable communities.

Objectives: Direct the extension of urban services to areas within urban and village reserve lines, and restrict urban services from being provided outside urban or village areas. Fund improvements that would primarily benefit the residents or users of new development, and that are necessary to maintain an adequate level of public services, through impact fees.

AUTHORIZATION OPTIONS

Your Board should consider the following options as part of your discussions when considering whether to authorize this project for processing:

1. Do not authorize the processing of this application based on (1) the request is premature relative to the availability of land in the area for suburban density homesites, the extension of urban level services to an area that was not planned for such expansion and the existing water resource constraints, (2) inconsistencies with the general plan purpose

D-1
10

and character statements, general goals, and goals and policies of the Agriculture and Open Space Element, (3) the limitations on available water resources, traffic impacts, conversion of agricultural land, and inconsistency with the Clean Air Plan and (4) that the project would not further the Smart Growth concepts endorsed by your Board as it does not promote compact communities but rather encourages the sprawl of large lot development.

2. Authorize the application as requested for processing to change the land use category on the 147-acre site to Residential Suburban from Residential Rural and extend the Palo Mesa Village Reserve Line to include the subject property.

OTHER AGENCY INVOLVEMENT / IMPACT

If the project is authorized for processing, the application will be referred to all applicable agencies and community advisory bodies. The application was sent as a tentative referral (notification that the application was requested, but has not yet been authorized for processing) to the County Public Works, County Environmental Health, County Parks and Recreation, Agriculture Commissioner, California Department of Forestry, Caltrans, Air Pollution Control District (APCD), Lucia Mar School District, the Nipomo Community Advisory Council (NCAC), the Nipomo Community Services District (NCSO), and the City of Arroyo Grande.

Nipomo Community Services District expressed concerns with the “no net gain” on water resources demands based on conversion of agricultural water to residential water. Allowing conversion of agriculture water to residential water will place an emphasis on developing productive irrigated farmland. County is strongly encouraged to require applicant to water new residential and golf course with available supplemental water.

County Public Works – Recommends denial of the application. Concerns with circulation corridors, existing level of service at Halcyon and Hwy 1, City of Arroyo Grande impacts, storm water runoff issues.

Agricultural Commissioner does not support the authorization, citing incompatibility with commercial greenhouse operations, impacts of increasing pressure on adjacent operations, inconsistency with the criteria for agricultural water supplies, and agricultural land conversion in the Agriculture and Open Space Element of the County General Plan. Mitigation such as buffers could not reduce incompatibilities associated with increased density to less than significant levels.

APCD does not support authorization, citing inconsistency with the Clean Air Plan and potential to significantly contribute to stresses on air quality, circulation, infrastructure, and other resources.

The City of Arroyo Grande cites conversion of agricultural uses, insufficient water supply, lack of fire service, traffic impacts on El Campo Road and Halcyon/Brisco Road interchange with Highway 101, and inconsistency with land use and resource management goals, objectives, and policies such as “smart growth” and confining suburban development into existing areas with all urban services. City of Arroyo Grande expresses that an EIR is essential if project is to be considered.

CDF expressed concerns with the increased need for a new fire station, equipment, and staffing, as well as wildland fire protection in the Black Lake Slough and population growth in this area.

DI

Environmental Health expressed concerns about adequate water supply and impacts to existing users.

NCAC: Do not support the request for authorization for the following reasons: increased traffic congestion; disruption of existing rural lifestyle; movement of the Village Reserve Line; existence of a Level III Water Severity; desire to preserve the green belts and to uphold existing agriculture and open space policies.

Cal Trans will require a Traffic Impact Study (TIS) to assess traffic impacts on State Transportation Facilities (See attached letter)

County Parks will require a trail along Zenon Way and along the rear of the property. A trail connection between the two would be a benefit.

FINANCIAL CONSIDERATIONS

The applicant has paid a deposit and has agreed to process the amendments under a Real Time Billing Agreement, which will allow for the recovery of the actual cost of processing.

RESULTS

Authorization of the General Plan Amendment application will allow continued processing and a final decision to occur. Not authorizing the application will stop the further processing of the General Plan Amendment.

EXHIBITS

Exhibit A – Vicinity Map

Exhibit B – Land Use Category Map

Exhibit C – Guidelines for Land Use Category Amendments

Exhibit D – Purpose and Character Statements for Residential Single-Family

Exhibit E – Applicant's Project Description

Exhibit F – Referral Responses & Public Comments

D-1
12

EXHIBIT C

GUIDELINES FOR LAND USE CATEGORY AMENDMENTS FRAMEWORK FOR PLANNING - PART I OF THE LAND USE ELEMENT

1. Existing planning policies. Whether the proposed land use category is consistent with the following:
 - a. Applicable policies in the various elements of the General Plan (Land Use, Open Space, Conservation, Circulation, Housing, Safety, Noise);
 - b. The general goals in Chapter 1 of Framework for Planning (Part I of the Land Use Element);
 - c. The purpose and character statements for land use categories in Section B, description of land use categories;
 - d. Uses listed in Table 2.2, list of allowable uses; and
 - e. The text, standards and maps of the area plans (Part II of the Land Use Element).
2. **Area character.** Whether the proposed land use category is compatible with allowed land uses in surrounding land use categories. Whether the potential types of development resulting from a proposed amendment would adversely affect the existing or planned appearance of the countryside, neighborhood and style of development in the surrounding area.
3. **Environmental impacts.** The proposed amendment should not enable development that would cause potential significant adverse environmental impacts as determined through an environmental determination prepared by the Office of the Environmental Coordinator, unless such impacts can be adequately mitigated or a statement of overriding considerations can be adopted in accordance with the California Environmental Quality Act.
4. **Accessibility/circulation.** Whether the site of the proposed amendment is located with convenient access to a road system in the vicinity that is adequate to accommodate the traffic generated by the type and intensity of development allowed by the amendment.
5. **Soils classification.** Whether the proposed amendment gives consideration to protecting prime agricultural soils (SCS Class I and II, irrigated) for potential agricultural use. Proposals in other soil classifications should be reviewed together with other site features to determine if the proposed amendment could unnecessarily limit, reduce or eliminate potentially viable agricultural uses.

D-13

6. **Slope and other terrain characteristics.** Whether site terrain would be predominantly retained in its existing configuration by development enabled by the proposed amendment? Whether development resulting from the proposed amendment would retain the overall contour of a site such that more intensive development occurs on flatter land and low-density development is accommodated by steeper terrain.
7. **Vegetation.** Whether the proposed amendment enables development that would retain significant vegetation such as oak woodlands or other mature tree forests and native plant communities that provide wildlife habitat or include rare and endangered plant or animal species.
8. **Hazards.** Whether the proposed amendment has been evaluated with respect to potential building limitations due to flood, fire or geologic hazards, so that subsequent development will be feasible in relation to the uses allowed by the proposed amendment.
9. **Existing parcel size and ownership patterns.** Whether the proposed amendment enables development of a type and scale consistent with surrounding parcel sizes and ownership patterns.
10. **Availability of public services and facilities.** Whether the proposed amendment is located in an area with demonstrated availability of needed public services and facilities and, where applicable, whether it is suitable for on-site sewage disposal and has an adequate groundwater supply. To the extent that proposed amendments will create a demand for services, amendments in the urban and village areas should demonstrate that services for water supply, sewerage, streets, public safety, schools and parks are planned to be available within the horizon year of the applicable area plan, or a capital improvement program is in effect to provide for any such services that are currently deficient, or such services and facilities will be provided as a result of approved development following the amendment.
11. **Land inventory.** Whether the amendment, with the uses it would allow, is needed to provide a sufficient supply of land for the population of the community or area that is projected within planned resources, services and facilities.

D-1
14

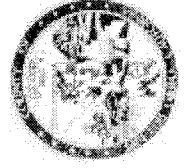
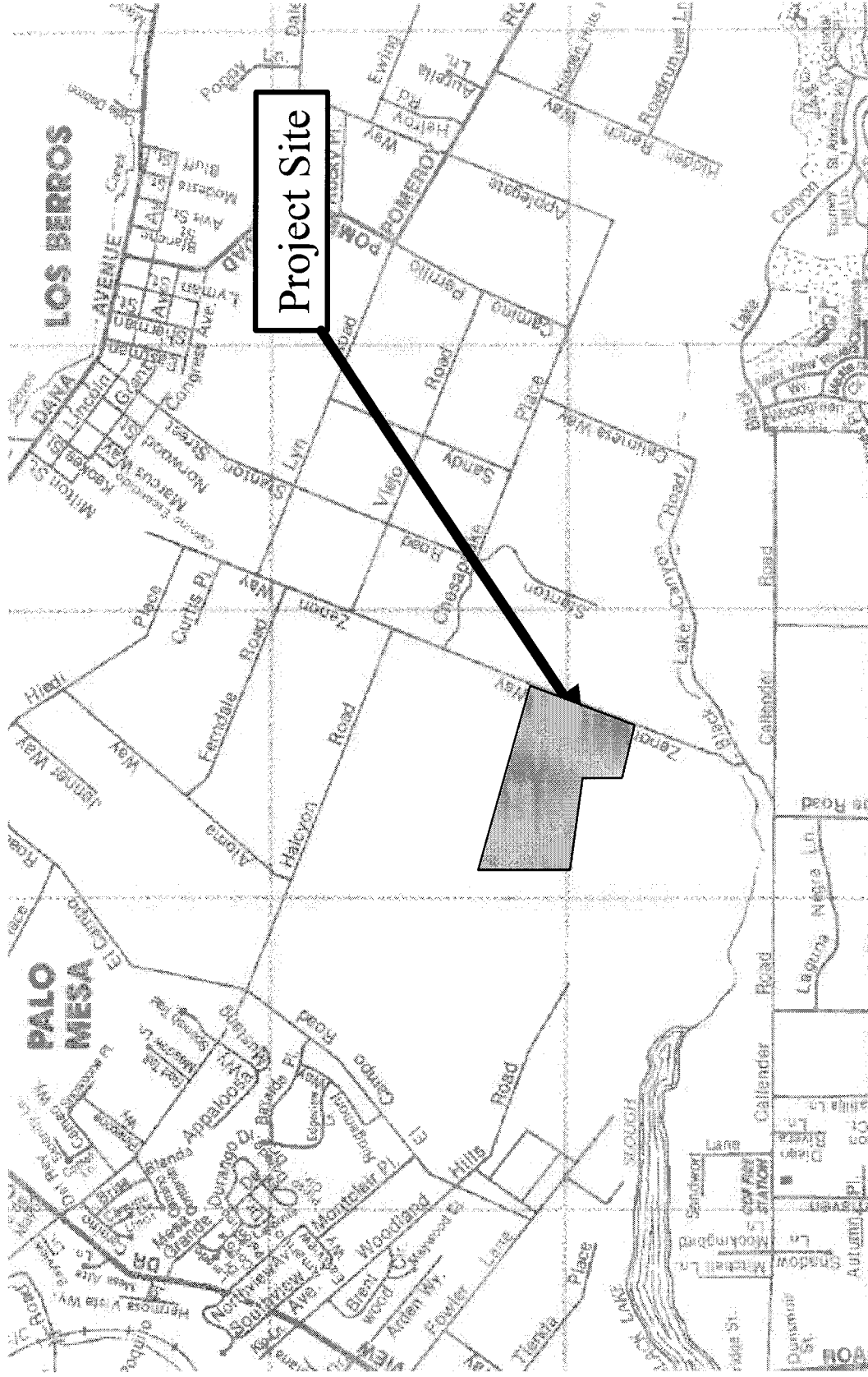
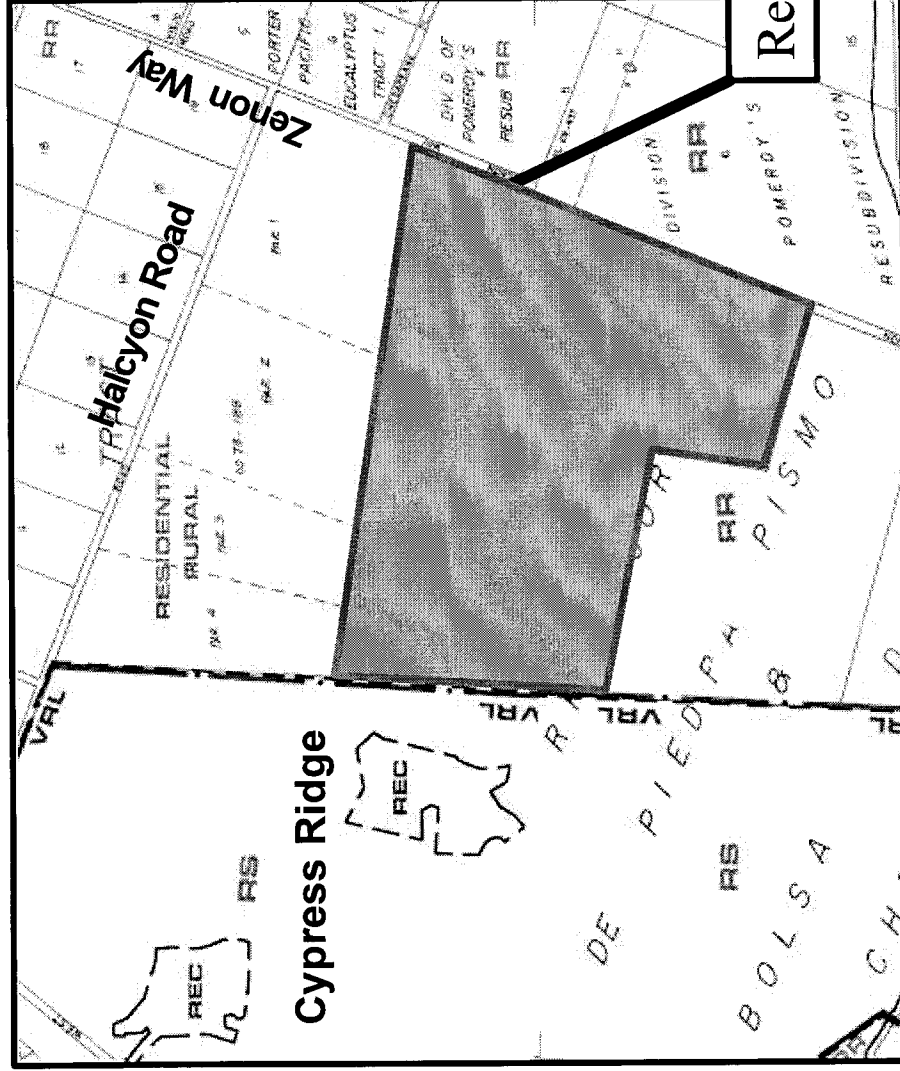


Exhibit A
Vicinity Map

Cypress Ridge II LRP2004-00005

215



Residential Rural

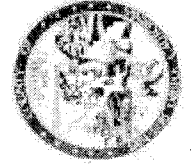


Exhibit B
Land Use Map

Cypress Ridge II LRP2004-00005

271
16

EXHIBIT D

PURPOSE AND CHARACTER STATEMENTS FRAMEWORK FOR PLANNING - PART I OF THE LAND USE ELEMENT RESIDENTIAL SUBURBAN LAND USE CATEGORY

Purpose and Character Statements

The purpose and character statements for the Recreation land use category are:

Purpose:

- a. To allow for single-family residential development on estate sized lots in a semi-rural suburban setting within the urban and village areas or in older existing rural subdivisions.
- b. To allow limited, compatible non-residential uses which complement suburban neighborhoods such as animal raising or hobby farming.
- c. To designate areas for lower density residential expansion within urban and village boundaries.
- d. To encourage clustering of allowed densities where there are important open space attributes that are a community resource or where sensitive habitats exist.

Character:

- a. Areas at the outer portions of communities where open space is prominent, with residences on parcels ranging from one to five acres in size.
- b. Areas within urban or village reserve lines, but outside urban service lines and programmed for less than full urban services (see Table H).
- c. Although there are several areas of the residential suburban category outside urban and village reserve lines, such as Squire Canyon, Arroyo Grande Fringe and Tract 7, areas are designated to recognize existing areas of small lots. Those areas should not be expanded and new areas not created except within urban and village reserve lines.
- d. Areas where soil conditions will enable septic systems to serve adequately on larger parcels.
- e. Areas where the majority of land contains slopes less than 30% (with increased lot sizes required as slope increases) and where land with slopes less than 20% is available for building sites on all proposed parcels.
- f. Areas with a landscape or viewshed of high visual quality (for example, woodlands, hills, rock formations, existing agriculture and ag accessory buildings) where clustering of allowed density to less sensitive portions of a site is encouraged.
- g. Areas of generally marginal agricultural land.
- h. Areas generally free of fragile natural resources.
- i. Areas where growth will not be premature with respect to utility and public service capacities, or in conflict with agricultural, commercial or industrial uses.
- j. Areas where horses and other similar farm animals are allowed accessory to residential uses.
- k. Areas where small-scale neighborhood commercial and service uses may be appropriate in limited areas if consistent with individual community plans and Land Use Ordinance standards.

D-1

EXHIBIT E – APPLICANT’S PROJECT DESCRIPTION

2/18

8-31-05

August 31, 2005

Brian Pedrotti
Department of Planning and Building
County of San Luis Obispo
County Government Center
1050 Monterey Street, Room 310
San Luis Obispo, California 93408

Re: Cypress Ridge II – Revised Application for General Plan Amendment

Dear Mr. Pedrotti:

Enclosed please find Cypress Ridge Ltd. Partnership's revised application package requesting an amendment to the County's General Plan (South County Area Plan – Inland). As you know, this property is located off of Zenon Way adjacent to the Cypress Ridge community. The Applicant's request is to change the current land use designation of the 147-acre property from Rural Residential to **Residential Suburban**.

This submittal includes the following information:

- Chart of Revisions to Original GPA application;
- Revised General Plan Amendment Proposal Description; and
- Revised Site Plan (full size and 8 ½ x 11 reduction).

Should you have any questions or need additional information, please call me at (805) 544-7407.

Best Regards,



Patti V. Whelen, JD
Director of Planning

Attachments

cc: Denis Sullivan

1
2/9

Revisions to Project Design in Response to Agency and Public Input

1/26/06 - Cypress Ridge Phase II - submitted by Dean Coker, for Cypress Ridge & Cannon Associates

Reduction of project density by one half - 295 units down to 147 units

Completion of a recorded easement and public multi-use trail system

The applicant will record an easement and construct a public, landscaped, multi-use trail that will provide a connection to Zenon Way.

Restoration of approximately 67 acres (45% of site) to native vegetation

This will be done under a botanist's supervision as was done on Cypress Ridge Phase I.

Increase to the width and area of agriculture buffer zones

The project was redesigned to widen buffer zones to 300' and 350' to increase distance between homes and existing agriculture operations.

Willing to accept storm-water overflow from abutting agricultural facilities

Recent storm events have demonstrated the importance of controlling run-off destined for Black Lake Canyon.

Utilization of "low-impact drainage" systems throughout

All drainage and run-off management will be designed in accordance with current LID recommendations.

Installation of berm and vegetative buffer between agriculture operations

Provision for emergency access only on Zenon Way

There will only be emergency access on Zenon Way to avoid traffic impacts to nearby agricultural operations.

Utilization of internal cul-de-sac road system to reduce external traffic impacts

The design of the road system keeps all entrance and exit traffic within the existing system.

Cooperation with City of Arroyo Grande on traffic study and improvements

Utilization of "supplemental water" via will-serve letter in hand from Rural Water Co.

Utilization of recycled water for golf irrigation

Recycled water will be treated at the existing wastewater treatment plant and recycled for golf course irrigation.

Utilization of BMPs developed by the Environmental Institute for Golf (EIG)

Compliance with Audubon International Signature rating

Cypress Ridge Phase I already enjoys this rating and we will utilize the same practices to achieve and maintain the rating on the proposed course.

Application of "Smart Growth" principles

"Smart Growth" principles have been incorporated including: cluster housing, large open space areas, contiguous zoning, in-fill near existing utilities, home/office accommodations, and other principles as applicable.

Cypress Ridge II

Chart of Revisions to Original GPA Application

INFORMATION IN GPA APPLICATION SUBMITTED 8/27/04	REVISIONS TO GPA APPLICATION (8/31/05)
<u>General Application Form</u>	
<i>Agent Name:</i> Cannon Associates: Attention Scott Bruce Email: ScottB@cannonassoc.com	<i>Agent Name:</i> <u>Cannon Associates: Attention Patti Whelen</u> <u>Email: pattiw@cannonassoc.com</u>
<i>Proposed Project:</i> <u>295 units of mixed density residential, clustered around 9 holes of executive golf. For more details see attached project description.</u>	<i>Proposed Project:</i> <u>147 units of single family housing, clustered (minimum lot size of 10,000 s.f.) and a 9-hole executive golf course providing setback from adjacent agricultural operations. For more details see attached project description.</u>
<u>Amendment Application</u>	
<i>What is the Requested Land Use Category?</i> <u>Residential Single Family</u>	<i>What is the Requested Land Use Category?</i> <u>Residential Suburban</u>
<i>Describe existing and future access to the proposed project site:</i> <u>Access to the site from the existing Cypress Ridge I Development, exit only from site onto Zenon Way.</u>	<i>Describe existing and future access to the proposed project site:</i> <u>Access to the site will be from the existing Cypress Ridge development. Access via Zenon Way will be limited to emergency situations only, in order to limit traffic impacts to the adjacent agricultural operations. The method for limiting this access point to "emergency only" will be directed by CDF.</u>

List any mitigation measures that you propose to lessen the impacts associated with your project:

See attached discussion on water conservation

List any mitigation measures that you propose to lessen the impacts associated with your project:

- Wastewater from this development will be treated at the WTP in Cypress Ridge I (existing capacity) and then recycled as irrigation to the golf course.
- This project will provide a water course that is sized to accept excess storm drainage from the adjacent Greenheart Nursery. This diversion of drainage overflow from Greenheart Nursery away from the Black Lake Slough will mitigate an existing drainage issue that currently threatens the Slough during large rain events.
- The Applicant has agreed with the City of Arroyo Grande to contribute towards necessary traffic improvements.

For additional details, please see the attached discussion on Water Conservation and Proposed Environmental Mitigation.

1
D-28

**General Plan Amendment
CYPRESS RIDGE II
Revised August 31, 2005**

BACKGROUND:

The subject site is approximately 147 acres in size and is located in the Residential Rural Land Use Category. The Palo Mesa Village Reserve Line (VRL) is located along the western boundary of the subject site.

The site is located approximately ½ mile south of the southwest corner of Zenon Way and Halcyon Road and is bounded on the east by Zenon Way with agricultural uses (greenhouses) beyond; on the south by existing greenhouses; and on the north by existing large lot single family residences. The western boundary of the site is immediately adjacent to the eastern boundary of Cypress Ridge I.

Most of the subject site is previously disturbed and a portion of the property is currently in strawberry production. There are no structures on the site.

With this application, the applicant requests a General Plan Amendment to:

- Change the Land Use designation of the identified site from Residential Rural to Residential Single Family Residential Suburban.
- Amend the Village Reserve Line (VRL). The new line will run east along the northern boundary of lots 1 through 7 and lot 14 of Tract 1939; turn south at the western boundary of Zenon Way. The VRL will run south along the western boundary of Zenon Way to the southeastern corner of the boundary of the subject site. The VRL will follow the southern boundary of the subject site to the western boundary of the parcel and rejoin the existing Village Reserve Line. The parcel shares this boundary with the existing Cypress Ridge community. (See attached map for graphical representation of VRL modification.)

PROPOSED PROJECT:

Overview

Cypress Ridge II will be located immediately adjacent to the eastern boundary of the Cypress Ridge I development, which is currently in the process of reaching build out. The Cypress Ridge II concept includes development of approximately 295 147 single family detached homes in a range of sizes and types and a 9-hole executive golf course. The maximum number of residences potentially developed as part of the project would be limited to a maximum of 295 147 units.

Dr. 23

with the residences clustered around open, native vegetation area, the golf course, and a public multi-use trail area and green space.

Home types will include:

- Single family detached homes on 10,000 square foot-minimum lots
- ~~Seniors detached "bungalows" clustered at 4 to the lot~~
- ~~Single family attached homes — three unit structures over parking are being contemplated~~

~~The new neighborhoods will be accessed through Cypress Ridge Phase I. Secondary access will include an exit access onto Zenon Way. Proposed development will be buffered from neighbors to the north, Zenon Way and Greenheart Farms to the south.~~

Access to the site will be from the existing Cypress Ridge development. Access via Zenon Way will be limited to emergency situations only, in order to limit traffic impacts to the adjacent agricultural operations. The method for limiting this access point to "emergency only" will be directed by CDF.

No clubhouse or community center is proposed for this site.

Water to the development is available from the Rural Water Company, Inc. (please see attached Water Will Serve Letter, dated January 29, 2004).

The proposed project will be served by the existing sewage treatment plant in the Cypress Ridge I development, which is currently operating at less than 25% capacity.

There is no anticipated annexation to the Nipomo CSD.

Environmental

As noted above, the site has been almost completely disturbed, with a large portion currently in agricultural production.

The site has been studied for potential archeological sites: none were found.

An initial data base search by County Planning Department Staff did not reveal known sensitive species on site or in the immediate area. A Sensitive Species and Habitat Survey of the site, prepared in June of 2004, is included in this package.

Please see below for Environmental Mitigations offered by this project.

Water Conservation

The Cypress Ridge II concept proposes to create "No Net Gain" in water use. Agricultural water uses will be transferred to residential water uses. The golf course will be irrigated with treated water from the Cypress Ridge waste water package plant.

A combination of other water conservation techniques are being considered which include but are not limited to:

- Caught and recycled runoff
- Drought tolerant plant materials in golf areas, landscaped buffers and common areas
- Landscaping standards for individual yards
- Low flow commodes, shower heads, faucets, etc.

REASON FOR GENERAL PLAN AMENDMENT

This proposal would amend the South County Area Plan and the Palo Mesa Village Urban Reserve Line allowing for the development of new residential neighborhoods centered on a golf course. Additional single family residential development on the subject site is a logical extension to and a completion of the overall Cypress Ridge project. Phase I of the Cypress Ridge project is currently nearing build out.

The project as proposed suggests a logical limit to the development, utilizing the existing boundaries of Zenon Way to the east, the previously developed single family parcels to the north and the agricultural production facility, Greenheart Farms, to the south.

The project provides an intensity of use that is appropriate for its surroundings. A maximum density of 2 1 home per gross acre would result in a maximum of 295 147 homes within the 147-acre site. This intensity of use includes single family homes on 10,000 s.f. minimum lots that will be clustered so as to form a transition to neighboring lower density residential and agricultural properties. The homes will be clustered toward the central portion of the property and the existing Cypress Ridge I, therefore providing the new neighborhood with setback for a compatible and continuous connection with the existing suburban and rural residential character of the community.

~~This intensity of use includes a senior living component and an element of smaller attached homes that respond to the affordability needs of the Mesa. Smaller homes will be clustered toward the central portion of the property and~~

~~Cypress Ridge I. Larger homes and open space will form a transition into the surrounding adjacent lower density home sites and agricultural properties.~~

The project will be compatible with the existing residential development and is comparable in impact with the production level agricultural uses of the surrounding area.

Due to the logical boundary limits to this development, amendment to the General Plan and the Village Reserve Line to allow completion of the Cypress Ridge Development project should not set an inappropriate precedent for the Mesa. In fact, Cypress Ridge II could set a positive precedent with a sustainable "no net water use gain" development plan.

The proposed development:

- Will result in "No Net Gain" in water use given proposed water conservation measures and eliminating the demands of the existing on-site agricultural production.
- Will utilize excess capacity in the existing Cypress Ridge sewage treatment system.
- Is similar in character, style and quality to the existing Cypress Ridge I and will be accessed through it.
- Is contained within existing geographic boundaries that include developed single family lots, Zenon Way and a viable, long term agricultural production facility.

The proposed amendment appropriately addresses a unique situation. The amendment would allow the completion of a successful and popular residential community that has a proven track record as a good neighbor to the surrounding Mesa residents.

Environmental Mitigations and Amenities offered by this Project

- The County of San Luis Obispo has designated a portion of Black Lake Canyon as a Sensitive Resource Area (SRA) as it provides pockets of freshwater marsh habitat and harbors a unique flora which may include endangered plant communities. A contributing factor to the accelerated rate of succession and an increase in sedimentation into the Black Lake Canyon watershed is runoff from agricultural operations. Cypress Ridge II will provide a water course that is sized to accept excess storm drainage from the adjacent Greenheart Nursery. This diversion of drainage overflow from the nursery away from Black Lake Slough will mitigate an

existing drainage issue that currently threatens the Slough during large rain events. This drainage mitigation plan will reduce further siltation and degradation of Black Lake Slough from a large drainage overflow from Greenheart Nursery, hence protecting and enhancing the sensitive natural resource within Black Lake Slough.

- Wastewater from Cypress Ridge II will be treated at the WTP in Cypress Ridge I (existing capacity) and then recycled as irrigation to the golf course.
- A buffer will be created along the surrounding edges of Cypress Ridge II through berming, trees and landscaping with native vegetation to reduce noise and visual impacts to the surrounding farming communities, and continuing the rural character of the Palo Mesa Village. This project design offers a setback of 300-350 feet (please see attached site plan).
- The Applicant will record an easement and create landscaping for a public multi-use trail along the northerly and easterly boundaries of the project that will provide connection from Zenon Way to the existing Cypress Ridge neighborhood.
- The remainder of space that is not utilized (approximately 67 acres) will be restored to native vegetation, as was done under a botanist's supervision at Cypress Ridge I.
- The Applicant has agreed with the City of Arroyo Grande to contribute towards necessary traffic improvements.

ASSESSOR'S PARCEL NUMBERS

APN	Legal Description
075-351-022	Parcel 1 of Parcel Map COAL 86-269
075-351-028	Parcel 4 of Parcel Map CO 76-196
075-353-011 through - 027	- Lots 1-14 of Tract Map 1939 - PUE Road Dedication according to Tract Map 1939 - 20' Road Dedication according to Tract Map 1939

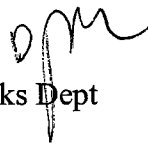
Copies of the parcel maps and tract map noted in the legal descriptions above are included in this General Plan Amendment application submittal for legal lot verification.

**EXHIBIT F – REFERRAL RESPONSES &
PUBLIC COMMENTS**

D-1
29
2

January 26, 2006

To Brian Pedroti
County Planning Dept

From Dan Manion 
County Public Works Dept

PROJECT Cypress Ridge II GPA

File LRP2004-00005

The County Public Works Department recommends denial of the application. We have the following concerns.

- 1 Many of the circulation corridors leading to and from Nipomo/ Mesa are congested and we should not be approving any GPAs. If the GPA is approved the conditions of approval not only need to address mitigating the impacts of the GPA and to enhance the circulation elements in the area. The GPA is a discretionary action and the developer can choose to proceed or not based on the conditions of approval.
- 2 The Halcyon Road Realignment Project will not be completed in time to handle additional traffic generated by the GPA. The existing level of service at Halcyon and Hwy 1 (north) is below County minimum Standards. The project will need to address resolving this issue, possibly take the lead in getting it constructed.
- 3 The City of Arroyo Grand is concerned about the impact to their street system. These traffic impacts need to be addressed; Brisco Rd/Hwy101, El Campo Rd extension & Interchange with Hwy 101, etc.
- 4 A special taxing district (Mello Roos) will be needed to fund construction of impact mitigations or have developer construct improvements prior to occupancy and/or opening a commercial area.
- 5 Storm water runoff onto other properties is a problem. The golf course will need to have retention-detention basins.
- 6 How much "surplus" treatment capacity will be available at the existing Cypress Sanitary Sewer Treatment facility after Cypress I is built out and occupied? Will there be sufficient capacity for treatment of Cypress II effluent.



AWSMHERMIE@aol.com
01/26/2006 12:15 PM

To vmaxd@sbcglobal.net, bpedrotti@co.slo.ca.us,
cstevenson@co.slo.ca.us

cc

bcc

Subject Re: Cypress Ridge Phase II

**Nipomo Community Advisory Council
P. O. Box 1165
Nipomo, California 93444**

January 26, 2006

Board of Supervisors
Room 370, County Government Center
San Luis Obispo, California 93408-2040

RE: Authorization for GPA for Cypress Ridge Phase II

Dear Board of Supervisors:

The Nipomo Community Advisory Council strongly supports the South County Area Plan's mission statement: *to maintain a distinction between urban and rural development by providing for rural uses outside of urban and village areas which are predominately agriculture, low-intensity recreation, residential and open space uses, which will preserve and enhance the pattern of identifiable communities.*

The NCAC recognizes that when evaluating Cypress Ridge Phase II as a singular project that it will provide more housing, road impact fees, supplemental water delivery enhancement and more golf facilities, but it is the goal of the NCAC to also evaluate and provide community input as to the regional aspects of any project.

Our NCAC Council recognizes and supports the right of the applicant to develop the acreage. The development of twenty - nine homes on the currently zoned Residential Rural properties will aid in the maintenance of the green-belt that has been identified as a goal in South County planning and inhibit and protect the movement of the Village Reserve Line. The NCAC also feels that keeping the property in its mandated zoning will protect the rate of depletion of the Nipomo Mesa aquifer and provide reduced traffic on a currently congested traffic area. Adjacent property owners and the entire community are concerned about the impacts this project will cause to the Nipomo Mesa aquifer. The homes that will be built in Phase II must be served with supplemental water, but the golf course will be using, as stated by the applicant, water obtained from the aquifer. Much of this water will be lost to evaporation, etc., and will cause a further drain to a Level III Severity Water source. If supplemental water is obtained in the future, this project would require the majority share of Rural Water Companies proposed entitlement. The Council also feels that additional impacts to our currently congested roadways will be reduced by maintaining the present zoning.

After careful consideration of correspondence and testimony from community members, the NCAC passed the following motion at their January 23, 2006, meeting: **The NCAC recommends that the authorization for the proposed Cypress Ridge Phase II GPA be denied for the following reasons: increased traffic congestion; disruption of the existing rural lifestyle; movement of the Village Reserve Line opposed, the existence of a Level III Water Severity; and a desire to preserve the green belts and to uphold existing agriculture and open space policies. This motion passed by roll call vote with 9 Yes and 1 No.**

7-1
31

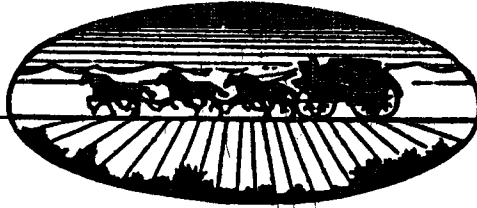
Respectfully Submitted,

Susan M. Hermreck
Nipomo Community Advisory Chair

D¹
32

City of
Arroyo Grande

COMMUNITY DEVELOPMENT



P.O. Box 550
214 East Branch Street
Arroyo Grande, CA 93421
Phone: (805) 473-5420
FAX: (805) 473-0386
E-Mail: agcity@arroyogrande.org

December 19, 2005

Brian Pedrotti, Project Planner
Warren Hoag, Division Manager, Current Planning
Department of Planning and Building
County of San Luis Obispo
Courthouse, County Government Center
San Luis Obispo, CA 93408

RECEIVED
DEC 20 2005
Planning & Bldg

SUBJECT: General Plan Amendment LRP 2004-00005
Cypress Ridge LP

Dear Brian and Warren:

Thanks for the referral memo dated 11/12/05 and received 11/29/05 regarding the above project. I called immediately because response was requested before I received the notice. As you may recall, the City Council of Arroyo Grande submitted an April 15, 2005, letter of unanimous opposition to a prior proposal for the same site to reclassify the property from Rural Residential to Rural Single Family, enabling 295 homes and a 9-hole additional golf course east of the existing Cypress Ridge community (see attached copy). The City previously responded in September 2004, noting that this project raised several serious major issues, both planning and environmental.

It is apparent that the applicant, Cypress Ridge, LP, has reduced the proposal to reclassify the 147 acres to Residential Suburban and approximately 147 clustered homes as well as the 9-hole golf course. However, the change is a substantial increase in potential development compared to Rural Residential and raises the same issues:

- 1) Conversion of agricultural uses.
- 2) Insufficient water supply and lack of fire service.
- 3) Traffic impacts on both El Campo Road intersection and Halcyon/Brisco interchange with Freeway 101.
- 4) Inconsistency with other land use and resource management goals, objectives and policies such as "smart growth" and confining suburban development into existing areas with all urban services.

Rather than presume that the City Council will remove its prior unanimous objections, if the Board of Supervisors decides to authorize this reduced proposal, the City requests that a comprehensive Environmental Impact Report, paid for by the applicant, be completed including evaluation of more compact urban infill alternatives. It is important

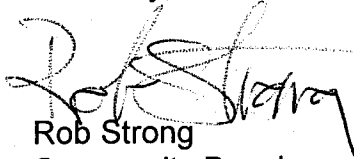
2/3/06

Brian Pedrotti
Warren Hoag
General Plan Amendment LRP 2004-00005, Cypress Ridge LP
December 16, 2005
Page 2

that the EIR also focus on project and cumulative water supply, fire service, traffic and air quality impact issues. Finally, it is essential that the EIR and this project be constrained by the regional circulation deficiencies and/or provide major traffic impact mitigation fees toward both El Campo Road and Halcyon/Brisco interchanges and related road improvements.

Cypress Ridge has become almost a separate resort community without adequate planning for adequate circulation connections and urban services. I am sure the City of Arroyo Grande will want to officially participate before this General Plan Amendment receives Board authorization and comment in detail before Draft EIR certification.

Sincerely,

A handwritten signature in dark ink, appearing to read "Rob Strong", is written over a horizontal line.

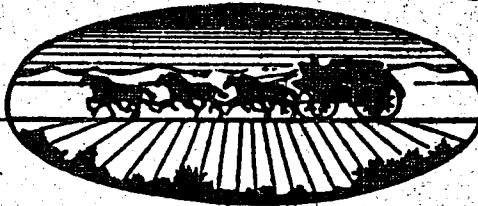
Rob Strong
Community Development Director

cc: Katcho Achadjian, Board of Supervisors
Steve Adams, City Manager
City Council

D-1
34

City of
Arroyo Grande

COMMUNITY DEVELOPMENT



COPY

P.O. Box 550
214 East Branch Street
Arroyo Grande, CA 93421
Phone: (805) 473-5420
FAX: (805) 473-0386
E-Mail: agcity@arroyogrande.org

April 15, 2005

Chair and Members
Board of Supervisors
Room 370, County Government Center
San Luis Obispo, CA 93408

SUBJECT: Cypress Ridge II, LRP2004-00005
Attention: Katcho Achadjian, Supervisor, 4th District

Dear Chair and Members:

The City Council of the City of Arroyo Grande, on April 12, 2005, unanimously expressed opposition to the requested authorization of the Cypress Ridge II LUE amendments. This application would reclassify 147 acres from Rural Residential (RR) to Rural Single-Family (RSF), expand the URL and change the Agriculture and Open Space Element from rural to urban. It would enable 295 homes and a nine-hole golf course east of the existing Cypress Ridge community.

Prior response to referral in September 2004, noted that this project raises several serious major issues:

- 1) Conversion of agricultural uses to suburban residential.
- 2) Insufficient water supply and lack of fire service.
- 3) Traffic impacts on both El Campo Road intersection and Halcyon/Brisco interchange with Freeway 101.
- 4) Inconsistency with other land use and resource management goals, objectives and policies such as confining RSF density into existing areas planned for urban services.

In this case the water supply and road system are already deficient to serve existing and planned development. Both the City and County are constrained by sustainable water resources and Nipomo CSD is seeking supplemental water. Very recent, short-term agricultural irrigation does not entitle this long-term non-agricultural water demand. Regarding traffic impacts, the Brisco/Halcyon interchange and El Campo intersection with Freeway 101 are both unacceptable Level of Service and/or unsafe. Until both are committed in regional transportation improvement programs, or preferable construction, this proposal is inappropriate or premature.

DMH

The City, County and SLOCOG are currently working on updated regional traffic models to facilitate appropriate traffic impact fees to include these interchanges and connecting routes such as El Campo, Valley and Halcyon Roads in both City and County jurisdiction, as well as State Highway 1. Until these facilities are improved or current studies are completed to define the deficient network and needed mitigation this proposal is a major magnitude mistake.

The recent County Revised Draft EIR for the 16-lot Busick Tract adjoining Falcon Ridge, Sunrise Terrace Mobile Home Park (MHP), Vista del Mar and Freeway 101 at El Campo Road reveals some of the "unavoidable significant adverse impacts" associated with continued development in the area. But in comparison this proposal leapfrogs two miles further out to El Campo and Halcyon Roads. The lack of adequate fire protection is another example that the Cypress Ridge community is already deficient necessary public facilities and services, which strain schools, sheriff, road and other infrastructure while eroding rural, agricultural character.

The City suggests that the proposal be rejected at this time. An alternative however, would be to consider possible RS designation at maximum and include this alternative in an update to the South County Area Plan and San Luis Bay Area Plan for comprehensive Environmental Impact Report paid for by the applicant. This would include evaluation of more compact urban infill and expansion alternatives such as Arroyo Linda Crossroads and Williams in the City's sphere or urban development in other Nipomo Mesa areas.

The Council hopes the cooperation between the City and County regarding South County growth management will continue and that the Board will deny authorization at this time.

Sincerely,

Mayor Tony Ferrara
City of Arroyo Grande

Cc: City Council
Steve Adams, City Manager

D-1
30



COUNTY OF SAN LUIS OBISPO

Department of Agriculture/Measurement Standards

2156 SIERRA WAY, SUITE A • SAN LUIS OBISPO, CALIFORNIA 93401-4556

ROBERT F. LILLEY

AGRICULTURAL COMMISSIONER/SEALER

(805) 781-5910

FAX (805) 781-1035

AgCommSLO@co.slo.ca.us

DATE: December 30, 2005

TO: Brian Pedrotti, Project Manager

FROM: Lynda L. Auchinachie, Agriculture Department *YH*

SUBJECT: Cypress Ridge General Plan Amendment Authorization LRP2004-00005
(0942)

Thank you for the opportunity to review the revised Cypress Ridge II proposal. In general, the proposal appears to reduce the number of residences from 295 to 147 dwelling units. As with the initial proposal, the Agriculture Department does not support authorization of the proposed General Plan Amendment as stated in our original comments and summarized below:

- Current zoning would allow for less than 30 primary residences. This density of rural residential development is generally compatible with commercial greenhouse operations similar to those adjacent to the project site. Increasing residential densities as proposed would not be compatible with adjacent greenhouse operations. Mitigation such as buffers would **not** reduce incompatibilities associated with the increased density to less than significant levels. Additionally, the resulting land use pattern could substantially increase the pressure on the adjacent agricultural operations to convert out of agriculture due to increased incompatibilities. The proposed general plan amendment is inconsistent with policies to protect agricultural resources.
- Since the original application, approximately 90 acres of strawberries have been planted on the project site. This strawberry field is one of the largest in the county. The conversion of this strawberry field would not be consistent with policies to protect agricultural resources.
- The Agriculture Department does not understand the "no net gain" in water use concept proposed by the applicant. Despite the confusion, it does not appear that the proposal meets AGP11 - Agricultural Water Supplies policies to maintain water resources for production agriculture water and to not approve proposed general plan amendments that result in increased residential density if the subsequent development would adversely affect water supplies.

If we can be of further assistance, please call 781-5914.

*D-1
3*

05 NOV 28 PM 12:37

DATE: ~~November 12, 2005~~ 12/01/05FROM: Parks
TO: Brian PedrottiFROM: Brian Pedrotti
Current Planning Division

The attached **General Plan Amendment** application has been submitted for review. *The project has been revised from the original submittal in August, 2004, and has not yet been authorized for processing.* Because the proposal may be of interest or concern to your agency, we are enclosing a copy of the project application and plan for your review and comment. Unless we hear from you before November 26, 2005 we will assume you have no comment.

PROJECT INFORMATION

File Number: LRP2004-00005

Applicant: Cypress Ridge L.P.

Project location: The site is located approximately ½ mile south of the southwest corner of Halcyon Road and Zenon Way, directly west of the Palo Mesa Village Area. The site is in the South County (Inland) planning area. Supervisorial District No. 4

Request: Request by Cypress Ridge L.P. for 1) an amendment to the South County (Inland) Area Plan of the Land Use Element by changing the land use category on an approximately 147 acre site from Residential Rural to Residential Suburban, and changing the Palo Mesa Village Reserve Line (VRL) to include the subject property. The purpose of this request is to allow the applicant to develop approximately 147 clustered homes and a 9-hole golf course.

COMMENTS

Please review and respond as deemed necessary. If you have questions, please contact Brian Pedrotti at (805) 788-2788.

AGENCY RESPONSE

① At the time a subdivision is proposed Parks will require a trail along Zenon Way and along the rear of the property. The trail would be detached similar to the trail located along Halcyon Rd & El Campo within the current Cypress Ridge development. A trail connection between the two developments (old and new) would be a benefit - for instance if they would extend Alamo Way to the south.

238

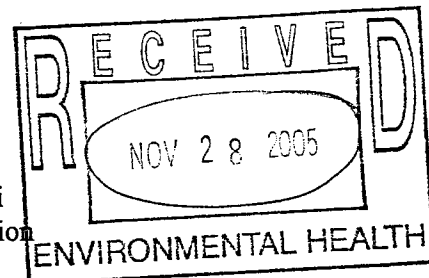


BP

DATE: November 12, 2005

TO: Env. Health

FROM: Brian Pedrotti
Current Planning Division



The attached **General Plan Amendment** application has been submitted for review. *The project has been revised from the original submittal in August, 2004, and has not yet been authorized for processing.* Because the proposal may be of interest or concern to your agency, we are enclosing a copy of the project application and plan for your review and comment. Unless we hear from you before November 26, 2005 we will assume you have no comment.

PROJECT INFORMATION

File Number: LRP2004-00005

Applicant: Cypress Ridge L.P.

Project location: The site is located approximately ½ mile south of the southwest corner of Halcyon Road and Zenon Way, directly west of the Palo Mesa Village Area. The site is in the South County (Inland) planning area. Supervisorial District No. 4

Request: Request by Cypress Ridge L.P. for 1) an amendment to the South County (Inland) Area Plan of the Land Use Element by changing the land use category on an approximately 147 acre site from Residential Rural to Residential Suburban, and changing the Palo Mesa Village Reserve Line (VRL) to include the subject property. The purpose of this request is to allow the applicant to develop approximately 147 clustered homes and a 9-hole golf course.

COMMENTS

Please review and respond as deemed necessary. If you have questions, please contact Brian Pedrotti at (805) 788-2788.

AGENCY RESPONSE

Adequate water supply and impact to the water supply and existing users would be a concern and should be evaluated.

Laurie Salo

781-5551

D-1

RECEIVED

NOV 30 2005

NIPOMO COMMUNITY
SERVICES DISTRICT

DATE: November 12, 2005

TO: Nipomo CSD

FROM: Brian Pedrotti
Current Planning Division

The attached **General Plan Amendment** application has been submitted for review. *The project has been revised from the original submittal in August, 2004, and has not yet been authorized for processing.* Because the proposal may be of interest or concern to your agency, we are enclosing a copy of the project application and plan for your review and comment. Unless we hear from you before November 26, 2005 we will assume you have no comment.

PROJECT INFORMATION

File Number: LRP2004-00005

Applicant: Cypress Ridge L.P.

Project location: The site is located approximately ½ mile south of the southwest corner of Halcyon Road and Zenon Way, directly west of the Palo Mesa Village Area. The site is in the South County (Inland) planning area. Supervisorial District No. 4

Request: Request by Cypress Ridge L.P. for 1) an amendment to the South County (Inland) Area Plan of the Land Use Element by changing the land use category on an approximately 147 acre site from Residential Rural to Residential Suburban, and changing the Palo Mesa Village Reserve Line (VRL) to include the subject property. The purpose of this request is to allow the applicant to develop approximately 147 clustered homes and a 9-hole golf course.

COMMENTS

Please review and respond as deemed necessary. If you have questions, please contact Brian Pedrotti at (805) 788-2788.

AGENCY RESPONSE

The Applicant ~~pre~~claims a "No Net Gain" on water resource demands based on a conversion of Agricultural water use to Residential & golf course water use. Given the ongoing discord on water resources for the Nipomo Area, allowing the conversion of Ag water right to Urban water right will place an emphasis on developing productive irrigated farm land. The County is strongly encouraged to require the Applicant to water new Urban (Residential and highly consumptive golf-turf) with available supplemental water. Please copy NCSO on all public information for this project.

Michael J. B. M.

140

DEPARTMENT OF TRANSPORTATION

50 HIGUERA STREET
SAN LUIS OBISPO, CA 93401-5415
PHONE (805) 549-3111
FAX (805) 549-3329
TDD (805) 549-3259
<http://www.dot.gov/dist05>



*Flex your power!
Be energy efficient!*

January 24, 2006

SLO - 101 PM 4.85

Brian Pedrotti
County of San Luis Obispo
Department of Planning & Building
County Government Center
San Luis Obispo, CA. 93408

Dear Mr. Pedrotti;

RE: Cypress Ridge 147 Residential Units & 9-Hole Golf Course General
Plan Amendment – LRP 2004-00005

Caltrans has reviewed the above referenced project and as a result, the following comments were generated.

The U.S. 101/Tefft Street Interchange (I/C) is currently experiencing degraded Levels Of Service (LOS) below LOS "D" for two legs of the interchange during the a.m. peak hour. The northbound movement on the South Frontage Road at Tefft Street is operating at LOS "F" and the left-turn movement onto the U.S. 101 northbound on-ramp is operating at LOS "E".

The recent SLO County memorandum from Public Works (November 8, 2005) that was submitted to the County Planning Department describes the LOS conditions at the I/C adding that; "The worst condition exists at the southbound Highway 101 ramp intersection where queues along South Frontage Road back-up to and beyond the Hill Street intersection." Also, the queue for the left-turn movement for the northbound 101 on-ramp backs up all the way to the west of Mary Street. During the a.m. peak hour it is not uncommon for traffic to have to wait through numerous traffic signal cycles to get through the intersection.

The 11-8-05 memorandum goes on to say that given the high level of traffic congestion at the 101/Tefft Street I/C, all development on the Mesa should be required to prepare an Environmental Impact Report (EIR) as the appropriate level of environmental analysis. Caltrans supports this conclusion. We further suggest that the County Board of Supervisors formally recognize the severity of the LOS problem at 101/Tefft Street I/C and resolve to adopt a Memorandum of Assumption (MOA) that formally declares the LOS problem at 101/Tefft Street I/C. This will

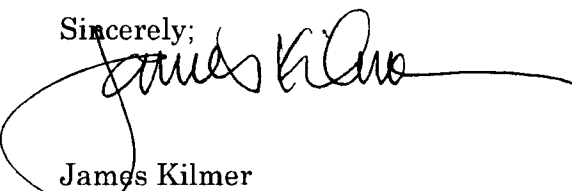
D-1
41

Mr. Pedrotti
January 24, 2006
Page 2

become of paramount importance when the County and Caltrans formally finalizes the *Purpose and Need Statement* in the environmental document for the Willow Road Extension & Interchange construction project. The Federal Highway Administration (FHWA) will scrutinize the Purpose & Need Statement for the Willow Rd. EIR. They will note and act upon any discrepancies between the county's statements regarding the LOS conditions at 101/Tefft Street and actions such as the selection of the level of environmental analysis imposed upon development on the Mesa. Simply put, if there is no need for the new Willow Road Interchange there can be no justification for building it. There must be a consistency and the MOA is a formal expression of the County's intent to recognize the LOS conditions that will reassure FHWA.

We therefore request of the Lead Agency that a full traffic impact study (TIS) be prepared by a licensed traffic engineer to be included in an EIR for the Cypress Ridge Project. The TIS needs to include the following traffic analysis scenarios; *existing conditions, project only conditions, existing + project conditions, cumulative conditions, and cumulative + project conditions (with phasing if applicable)*. The TIS needs to include project specific and cumulative mitigation strategies for traffic impacts on State highway facilities (both U.S. 101 and State Route 1). Please visit the following internet site to access the *Department's Guidelines for the Preparation of Traffic Impact Studies*:
<http://www.dot.ca.gov/hq/traffops/developserv/operationalsystems/reports/tisguide.pdf>.

Sincerely;



James Kilmer
District 5
Development Review

c: File, D. Murray, P. McClintic, J. McKrell, T. Houston, D. Ramey SLO County
Public Works

Save the Mesa, Inc.

P. O. Box 1481
Nipomo, CA 93444



April 13, 2005

Re: Cypress Ridge General Plan Amendment LRP2004-00005 – Cypress Ridge, L.P.

San Luis Obispo County Board of Supervisors

Save the Mesa respectfully requests this GPA not be authorized to proceed.

Our resources cannot support yet another golf course and higher density housing. Save the Mesa was formed in 1999 because of the County's own RMF finding that the Mesa's water was at a Level 2 condition. We are now at a Level 3 water condition. You may use whatever nomenclature you wish to describe the lack of water available, but we are fast painting ourselves into a waterless corner. To say that this GPA will use no more water than the strawberry growers is grasping at straws. Bringing in supplemental water is many, many years down the road.

The General Plan exists for a reason; so we can know what the future areas will look like. The plan was to keep village reserve lines in check for a reason, which is to continue to allow open space, maintain agriculture between the village areas, and to keep the rural feeling. This GPA does not stick with that plan. In fact, this GPA is lining itself up against one of our most valuable tenets, preserving agricultural land.

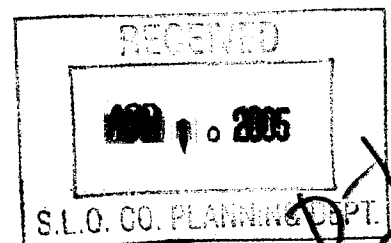
It was revealed at a meeting with Planning, developers, the NCAC Traffic and Circulation Chair, and Public Works that the county does not analyze the traffic numbers they plug into the annual regional study updates. This meeting took place at the SLO library on April 7. Data we are using today has not been digested by any county departments. For example, residents have been complaining for over 2 years about the traffic congestion at Frontage and Tefft in Nipomo. Only until a consultant who was performing EIR work for Willow Road brought to the county's attention that the level of service was E and F during peak traffic hours, did Planning and Public Works take any action - which is to put everything on hold until solutions can be found. This is barely the tip of the iceberg as concerns traffic congestion. The signal at Hwy 1 and Halcyon has 20-minute delays getting off the Mesa now. There is no relief in sight. Traffic from the GPA increases the clogging of our roads. The LOS at the El Campo and Hwy 101 interchange has been reported to be a level E at peak hours as of today and this will be increased to a level F with the addition of yet another GPA.

For all these reasons, this GPA should not be authorized.

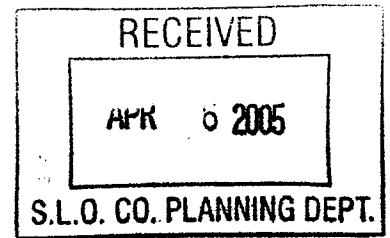
Sincerely,

Istar Holliday

Istar Holliday
Board of Directors
Save the Mesa, Inc.



BRUCE A. BEAUDOIN
650 MULLIGAN LANE
ARROYO GRANDE, CA 93420



April 4, 2005

Mr. Brian Pedrotti, Planner
San Luis Obispo Dept. of Planning and Building
County Government Center
San Luis Obispo, CA 93408

Re: Courtesy Notice for:
LRP2004-00005 Consideration of
General Plan Amendment
Cypress Ridge L. P.

Dear Mr. Pedrotti:

Thank you for your notice of March 25, 2005. As I understand it, Cypress Ridge L.P. is requesting that the County consider a General Plan Amendment on the 147 acre holding immediately east of its development. The Palo Mesa Village Reserve Line would be expanded to include it. The 147 acres is presently within a Rural Residential designation. Furthermore, 47.13 acres is Lot 14, Tract 1939 as shown on the enclosed Assessor's map. It is affected by blanket open space easement which may permit golf course development. This results in 100 developable acres which, pursuant to the present General Plan classification, could be subdivided into five acre minimum parcels for a total of twenty homesites. This is consistent with development to the north and designation of the Greenhart Nursery to the south as RR, Rural Residential.

The proposed change to Residential Single Family would permit development to 295 homes around a 9-hole golf course at a density that is approximately 15 times greater than that permitted by the current designation. It would also be at a much greater density than that permitted in the current Cypress Ridge development at approximately 378 homes on 380 acres. Also, the proposed change would not be consistent with its designation as RS, Residential Suburban, minimum lot size at .25 acre.

It is further my understanding that the 295 homes will include 48 affordable rental condominiums, 102 tri-plex units and 145 homes on .25 acre lots. The overall development would be inconsistent with the initial phase of Cypress Ridge and is even more inconsistent with adjoining properties to the north and south which are designated Rural Residential 5 Acre homesites.

In view of the County's budgetary constraints and related limited personnel, it appears that consideration of this proposal would be a poor use of County resources. Alternatively, a change from Residential Rural to Residential Suburban (RS) would appear to be compatible with surrounding development and the existing development west of the Palo Mesa Village Reserve Line in Cypress Ridge. Any consideration of this type proposal, which would need to be concurred on by the developer, likely, should include an Environmental Impact Report addressing concerns regarding traffic-circulation, specifically participation in the El Campo Road/Highway 101 interchange, buffers to adjoining development, particularly the nursery to the south, noise, lighting and other issues which would require mitigation relative to future development.

[Handwritten signature]

San Luis Obispo Dept. of Planning and Building
San Luis Obispo, CA 93408 -2-

April 4, 2005

In summary, no consideration should be given to possible modification of General Plan, Residential Single Family. Residential Suburban would be reasonably compatible with existing development in Cypress Ridge and the surrounding area, but other issues would need to be addressed with an EIR. Hopefully, you can include this letter as part of the Board package for the April 19, 2005 hearing.

Sincerely,


Bruce A. Beaudoin

BAB:aa



To: San Luis Obispo County Board of Supervisors:
Harry Ovitt
Shirley Bianchi
Jerry Lenthall
Katcho Achadjian
James Patterson

Cc: Brian Pedrotti, Project Planner, San Luis Obispo Dept of Planning and Building

From: Hoy Buell
President, Greenheart Farms

Subject: Request for Land Use Element amendment application LRP2004-00005
A request by Cypress Ridge L.P.

Ladies and Gentlemen:

Cypress Ridge L.P. is requesting that the County consider a General Plan amendment, proposing to change the property's current Rural Residential designation, allowing up to 20 home sites on approximately 2.5 acre parcels, to a Residential Single-Family designation which would allow Cypress Ridge to build 295 homes.

GHF does not support the proposed General Plan Amendment request for several reasons:

1. Water Supply issues:

The applicant indicates that there would be "no net gain" in water use compared with current agricultural usage. However, residential water demands are consistently higher than agricultural use. This increased demand could adversely affect the water supplies for agricultural operations as well as residential concerns on the Mesa. Can the applicant produce data to support his claim that the development would only use 150.6 acre/ft of water? Has a study been conducted? Is there sufficient supply for this use?

2. Traffic:

Increase in traffic: Increased congestion at Highway 1/Halcyon intersections and at the El Campo intersection. The El Campo intersection is particularly dangerous. Can our roads support the increase in traffic? Development would add traffic to Zenon Way which is not a through street.

3. Buffers:

The existing Cypress Ridge development has a buffer range of 100 to 500 feet between homes and our agricultural operation. This proposal places high-density housing adjacent to our farming operations, with only a 150 foot buffer. This will result in increased levels of residential complaints of noise, lights and hours of operation. The small buffer could lead to the introduction of plant and animal pests into our nursery, which may be harmful to our agricultural operations. There have been no attempts by the existing Cypress Ridge development to mitigate the intrusion of stray

Dylo

golf balls onto our property by installing screens or netting fixtures, endangering our employees and sometimes damaging our greenhouse structures.

4. Land use compatibility:

Further down-zoning for our area does not conform to the local or nearby neighborhoods or general aesthetics of the area.

5. Essential Services and safety:

If the applicant were allowed to construct 295 new housing units, there would be a need to construct and staff a new fire station. The existing fire protections facilities would not be able to provide enough protection with the increase in density.

Questions remain as to how our schools will be impacted,. Will new schools be needed?

What will the effects be upon air quality with the increase in automobile traffic? The development is inconsistent with the Air Pollution Control District's Clean Air Plan.

The impact of Stage 1 of Cypress Ridge is not yet known, since construction is not complete and occupancy is not maximized. The first stage has significantly changed the traffic, and sense of place in this neighborhood already. It is premature to attempt to assess the potential impact of another, higher density project at this juncture.

In summary, I feel that no consideration should be given to this proposal to change the property's current Rural Residential designation to a Residential Single-Family designation.

Respectfully submitted,

Hoy Buell
President
Greenheart Farms, Inc.

A handwritten signature in black ink, appearing to read 'Hoy Buell', is located in the bottom right corner of the page.